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DEPT FOR EUR/AGS, INR/EU, AND EUR/PPD FOR YVETTE SAINT-ANDRE
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WHITEHOUSE FOR NSC/WEUROPE

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SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: April 14, 2008

Court of Audit Criticizes Climate Protection Policy

¶1. A preliminary report of the Austrian Court of Audit sees considerable shortcomings in the climate policy during the past few years. Austria emits about one third more CO2 than allowed and the tendency is growing. Only half-hearted measures were taken in the sectors of transportation, industry and restoration of buildings and much money is being wasted that way. Minister for the Environment Josef Prill's reaction to the report was the announcement of a new law which is going to address the problems by specifying more concrete goals and sanctions in case of non-compliance. [ORF online, *Der Standard*, 2] [more]

Instead of the projected 68.8 million tons of CO2 emissions, 32 percent more were emitted in 2006 - 91.1 million tons. This generates enormous costs: There is considerable increase of climate-related damage. With regard to the progress made in reaching the Kyoto targets, Austria is second-last in comparison to other European member states. The report is especially critical about the role of the provinces when it comes to taking measures against climate change, writes independent daily "*Der Standard*" in a thorough analysis. Measures are largely on hold and there is no coordination among the different Austrian provinces, criticizes the daily. This is seen, among other things, in the restoration of old building substance which, if carried out effectively, could lead to massive energy savings. On the whole, the Court of Audit's report also comes to a critical assessment of the climate strategy of the federal government: The climate strategy of 2002 was already partially outdated then had been continued through 2007, while at the same time, the permissible emission levels were raised. Looking at these facts, the report concludes that it is "unlikely that the targets will be reached if the current strategy is continued." The report also warns that Austria now has to act quickly if it wants to avoid paying a penalty for its lax climate policy: The EU could initiate charges against Austria for having violated the Kyoto Protocol as early as 2010, but definitely as of **¶2012**.

Four Billion Necessary for Tax Reform

¶2. In an interview with mass circulation tabloid "*Vsterreich*," economic expert Bernhard Felderer, the head of the Institute for Higher Studies, contradicts the coalition parties, which are planning to spend no more than 2.7 billion euro on the tax reform that is scheduled for 2010. According to Felderer, however, over four billion would be necessary to obtain a tax relief of 300 to 400 euros per person and thus make the reform effective for the tax payers. The argument of the government that there is no money for a more comprehensive reform Felderer dismisses with the counterargument that really successful reforms always entail some

debt. According to the economic expert, the goal of a reform has to be to increase the purchasing power of the consumer and boost investments. [Vsterreich, p. 9]

860 Million Go to EU

¶3. ...warns anti-EU oriented mass circulation tabloid "Neue Kronenzeitung" and specifies in this respect that this sum constitutes a 500 million increase versus last year's payment. This hefty increase is attributable to the Eastern enlargement, which increases overall EU spending and the fact that the new countries get more money in subsidies than the financially more prosperous "old" member countries. Quoting a report of German newsmagazine "Focus" as its source, the tabloid also points out that the EU will have to pay much more for a potential Turkish membership than was originally calculated. [Neue Kronenzeitung, p. 1 and 3]

Nussbaumer Case Revisited

¶4. Political weekly "Profil," in its latest issue, presents so-far unpublished material in a detailed reconstruction of the hostage case involving the Austrian Bert Nussbaumer and his American colleagues who had gone into Iraq in 2006 as employees of the US security firm "Crescent Security." [Profil, pp. 77] As a result of detailed research and using so far not accessible sources the political weekly "profil" reconstructed how the US Federal Bureau of Investigation (FBI), the Austrian government together with special task forces of the army, Crescent Security and Mark Koscielski, a weapons dealer from Minnesota, who was friends with one of the kidnapping victims, all tried to do anything they can to solve the case and liberate Nussbaumer and his colleagues - and how this undertaking failed without the rescuers and the kidnappers actually intending this. The weekly establishes that a crisis team of the Austrian Foreign Ministry set up a network of contact points - from the US embassy or the Office for Hostage Issues in Baghdad to more or less influential persons in Iraq. "Profil" in particular stresses the intensity of Austrian-US contacts during the search for the hostages and the attempts to get them free. Agents of the Army News Office, together with Crescent Security, pursued all the leads they got. Foreign Minister Ursula Plassnik and her US colleague Condoleezza Rice were in direct contact over the case. In the final analysis, the weekly concludes, nobody can really say why contact between kidnapper and the authorities was never established. According to Paul Chapman, a spokesman for "Crescent Security," the firm never received any demands for ransom from the kidnappers and he stressed the fact that he knows of no such demands being addressed to the Austrian government. The kidnapping case is "in the end an unsolvable mystery." The failure to get the hostages free unharmed was perhaps attributable to "misunderstandings, perhaps to stupidity, coincidence, and the muddled situation in the occupied civil war country Iraq," concludes the weekly.

Khaddafi Leaves Traces in Mali

¶5. Libyan investment in Mali is extensive - Libyan companies have invested millions in the country, and in other African regions as well. Libyan head of state Muammar al-Khaddafi has become a synonym of his country. [Der Standard, p. 5]

According to independent daily "Der Standard," which quotes Libyan journalist Mamary Fofana, "most Libyan activities are now focused on developing the northern part of the country." There, Libyan plans to play an important role politically. Lately, it tried to secure peace in the region of Kidal. Representatives of the Tuareg rebels and the government met in Tripoli at the beginning of the month on Libya's initiative in order to negotiate a possible end of the months-long conflict. However, although an agreement was signed according to which the captured Mali soldiers are to be freed and the army is to retreat into its barracks, the agreement has been seen by most observers as a failure. The Libyan role in northern Mali is not uncontroversial, writes the daily. Due to family connections, Khaddafi has always presented himself as a friend of the Tuareg. There were rumors that he also supported the Tuareg rebels in Niger. "It is not to be ruled out that Khaddafi engages in double-dealing," says a Professor of International Relations at the University of Bamako, who is quoted by the daily under the condition of anonymity.

Low Voter Participation Expected in Italy

16. On Monday, 15 pm, the voting booths will close down in Italy and experts predict a low turnout due to widespread exasperation on the part of the voters. No matter who gets to be elected, right-wing conservative Silvio Berlusconi or Walter Veltroni, candidate for the leftist Democratic Party - he will be facing considerable problems: high debt, an ailing health system and a low wage level. [ORF online, other Austrian media]

The Cabinet of Feminist Zapatero

17. ... titles independent daily "Der Standard" in reference to the new cabinet of Spain's Prime Minister Jose Zapatero where, for the first time, women outnumber men by 9 to 8. Also for the first time, Spain will have a female Minister of Defense, Carme Chacon, a 37-year old expecting mother, who was formerly Minister for Housing. [Der Standard, p. 3; other Austrian media]

Zimbabwe's Opposition in the Defensive

18. At a meeting of the heads of state and government of the Southern African Development Community (SADC) in Zambia on the weekend, the participants uttered no criticism of the ruling regime of Robert Mugabe in Zimbabwe. This was a blow to the country's opposition leader Morgan Tsvangirai, who had hoped for backing of his claim to take over as head of state in Zimbabwe. The SADC members only urged for a speedy verification and publication of the election results. [Kurier, p. 6]

Pope to Visit Country of His (Worst) Dreams

19. ... headlines centrist daily "Die Presse" with reference to the impending papal visit to the US. The Pope's trip is to commence on Tuesday and will last six days during which Benedict XVI will visit Washington and New York and speak before the United Nations. He will meet with President George W. Bush several times and speak with the representatives of Buddhists, Hindus and Muslims. The visit is not just aimed at promoting the Catholic Church in the US, but also the Pope himself, of whom 80 percent of Americans know only very little. [Die Presse, p. 6]

The US is in a state of eager anticipation of the papal visit and so, probably is the Pope himself, writes centrist daily "Die Presse." Referring to an analysis of the US news magazine "Time," the daily points out that, after all, nowhere do faith and religion play as great a role as they do in the US - understandably, this appeals to the Pope, who is confronted with the "crisis of faith" in Europe - as "Time" calls it. However, "Die Presse" also points out the many nightmares which the Vatican has suffered in past years due to sexual abuse cases involving US Catholic priests. Since 2002, hardly a year has gone by without new scandals surfacing. In the run-up to the Pope visit, American Catholic Church representatives have indicated that the Pope will probably address the scandals in one of his speeches, but did not plan to meet with the victims of the priests that had caused the scandals.

Kilner